

# **ABC Update July 2014**



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# **ABC Welcomes New Public Information** Officer

Vikki S. Stone has worked in the public relations field for over 20 years. Prior to joining Kentucky Alcoholic Beverage Control as public information officer, she was president of Written 'N Stone, public relations, marketing and special events firm. Vikki received a communications degree from the University of Louisville and a Master's Degree in Public Administration from Kentucky State University. She and her husband, Bill, reside in Louisville with their daughter. Welcome Vikki.



## Legislative Changes Affecting Alcoholic Beverage Producers and **Suppliers**

The 2014 General Assembly enacted two major pieces of legislation that impact producers and suppliers of alcoholic beverages in Kentucky.

Senate Bill 83 included two major changes for the alcohol industry. First, the bill reclassified cider containing less than 7 percent alcohol by volume as a malt beverage. This language brings Kentucky law into line with federal law, and allows "weak cider" to be sold by licensees who hold malt beverage licenses, without having to have a distilled spirits and wine license.

Additionally, Senate Bill 83 also created a new distiller's license. The existing distiller's license is now called a Distiller's License Class A. The new distiller's license - Distiller's **License Class B** – retains the same rights and privileges as the Class A license, but at a reduced licensing fee. Distiller's Licenses Class B are limited to 50,000 gallons of annual production. Class A licenses now cost \$3,090 annually, and Class B licenses now cost \$1,000 annually. This will help craft distilleries who produce limited quantities to pay a lower fee than their larger counterparts.

The other major piece of legislation affecting producers and suppliers is Senate Bill 213. Senate Bill 213 permits small farm wineries to sell products on Sundays, if they are permitted by local option election or ordinance by the local government. This language allows small farm wineries to operate as they normally do during one of their most busy days for visits.

Finally, Senate Bill 213 included language that prohibits brewers or importers of malt beverages from requiring or requesting money from distributors for product distribution rights. This language is intended to protect Kentucky's three-tier system by ensuring a clear separation between producer and distributor.

#### "Sampling" of Alcoholic Beverages

the quantity of distilled spirits and wine must be limited, based on the amount enumerated in the statute. By statute, a business can't



KRS 244.050 prohibits "treating", giving away or selling alcohol below cost. The only exceptions are licensed distilled spirits or wine sampling events at licensed premises that hold the proper sampling license, tastings of the wine produced at a small farm winery or a small farm winery off premises location (See KRS 243.155). For an event to qualify as a distilled spirits and wine sampling event: 1) a sampling license must be obtained, 2) the event must be approved by the Department of Alcoholic Beverage Control in advance and, 3)

charge for these samples.

Malt Beverage sampling is only permitted at micro-breweries. The quantity of the sample must be limited, based on the amount enumerated in the statute (See KRS 243.157). For all other establishments, offering free samples of malt beverages is illegal. Any type of "tasting" of malt beverages must be paid for by the patron, to cover the cost of the product.

### S.T.A.R. Class Schedule for July and August

| Date       | Time   | City          | County       | Location                            |
|------------|--------|---------------|--------------|-------------------------------------|
| 07/14/2014 | 9:00AM | Frankfort     | Franklin     | Kentucky Alcoholic Beverage Control |
| 07/14/2014 | 9:00AM | Owensboro     | Daviess      | Cigar Factory Mall                  |
| 07/15/2014 | 9:00AM | Somerset      | Pulaski      | Hampton Inn                         |
| 07/15/2014 | 9:00AM | Lexington     | Fayette      | Four Points by Sheraton             |
| 07/15/2014 | 9:00AM | Danville      | Boyle        | Inter-County Energy Co-op           |
| 07/19/2014 | 9:00AM | Lexington     | Fayette      | Four Points by Sheraton             |
| 07/21/2014 | 9:00AM | London        | Laurel       | Holiday Inn Express                 |
| 07/22/2014 | 9:00AM | Cadiz         | Trigg        | Lake Barkley State Resort Park      |
| 07/22/2014 | 9:00AM | Elizabethtown | Hardin       | Pritchard Community Center          |
| 07/28/2014 | 9:00AM | Maysville     | Mason        | Regional Prevention Center          |
| 07/29/2014 | 5:00PM | Lexington     | Fayette      | Four Points by Sheraton             |
| 08/04/2014 | 9:00AM | Hardinsburg   | Breckinridge | Community Center                    |
| 08/05/2014 | 9:00AM | Lexington     | Fayette      | Four Points by Sheraton             |
| 08/11/2014 | 5:00PM | Frankfort     | Franklin     | Kentucky Alcoholic Beverage Control |
| 08/11/2014 | 5:00PM | Owensboro     | Daviess      | Cigar Factory Mall                  |
| 08/12/2014 | 9:00AM | Paducah       | McCracken    | City Hall                           |
| 08/16/2014 | 9:00AM | Lexington     | Fayette      | Four Points by Sheraton             |
| 08/18/2014 | 6:00PM | Louisville    | Jefferson    | Ramada Conference Center            |
| 08/19/2014 | 9:00AM | Corbin        | Whitley      | City Hall-Corbin                    |
| 08/25/2014 | 9:00AM | Hazard        | Perry        | Kentucky River ADD/Perry Park       |